

Utilities 2020 Year-End Review

Presentation to Environmental Services Commission

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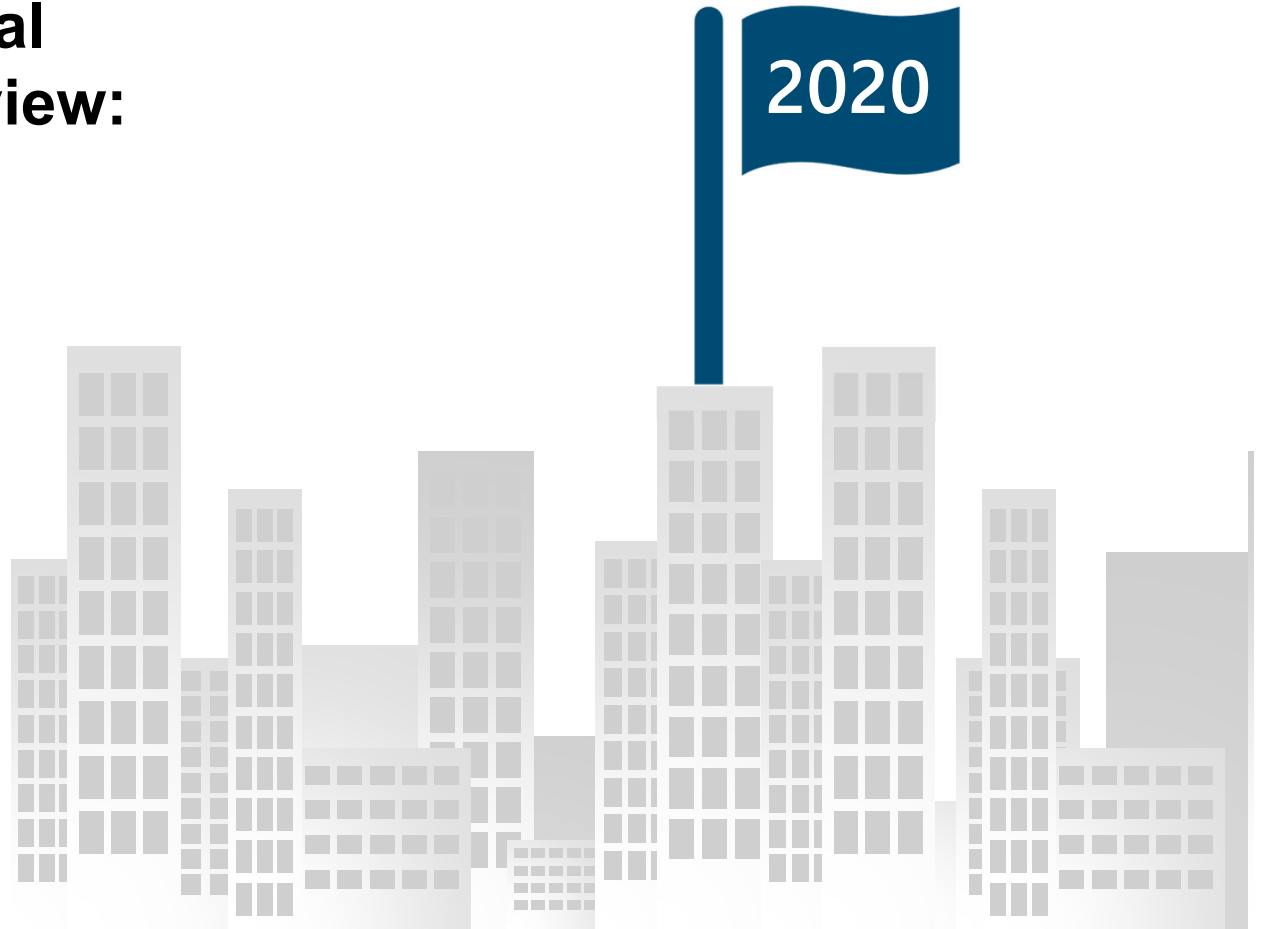
City of Bellevue

Direction Needed from Commission

- No action required
- Informational briefing on Utilities 2020 financial performance

Agenda

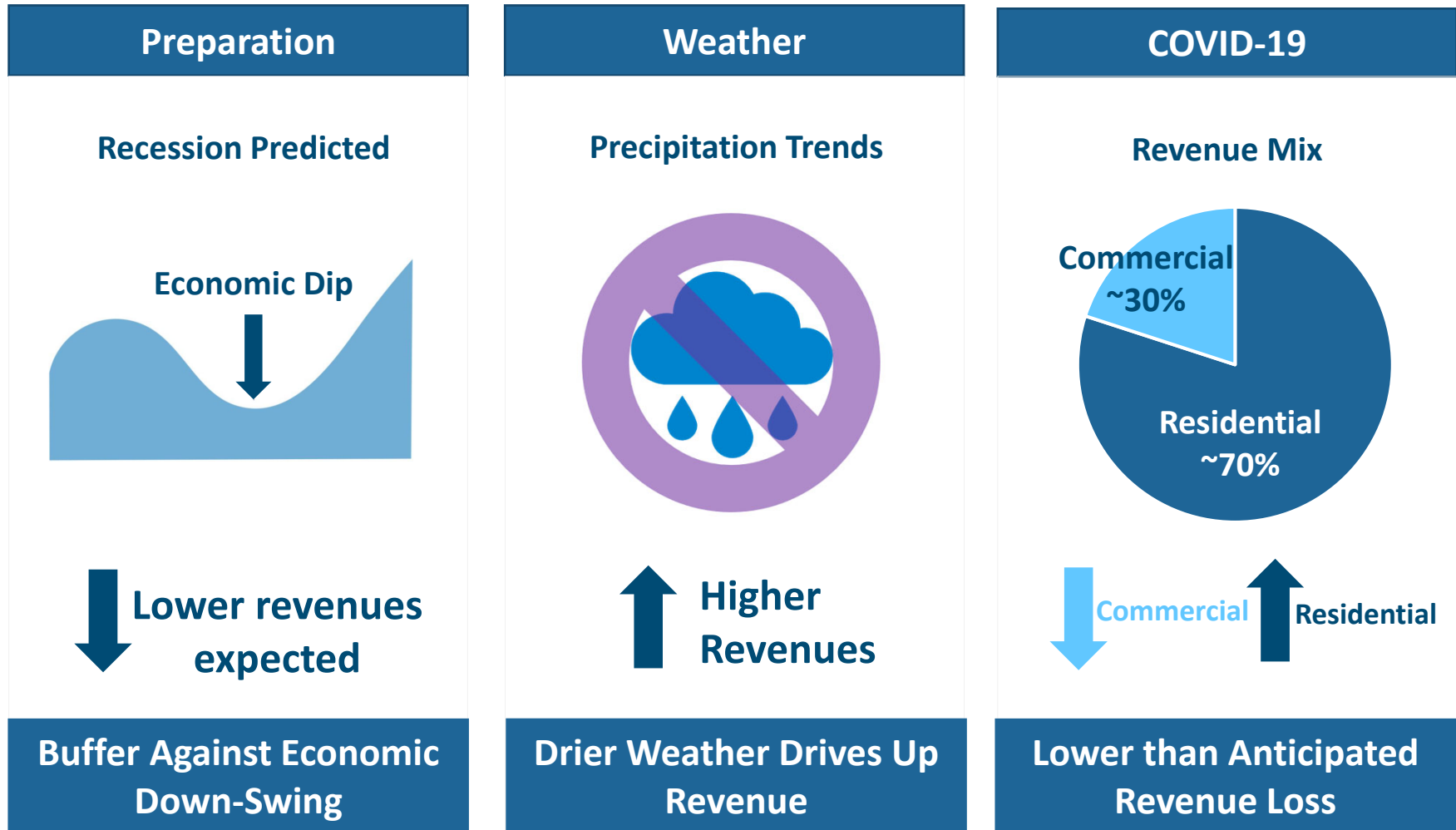
- **Year end financial performance review:**
 1. Water
 2. Sewer
 3. Stormwater
 4. Solid Waste



2020 Highlights

- ❖ All Utilities ended 2020 in positive financial condition
 - Operating revenues exceeded operating expenses
 - Fund balances above expectations
- ❖ Per city policy, fund balances that are greater than budget at the end of the budget cycle, in 2020, for the piped utilities are transferred to capital infrastructure renewal & replacement (R&R) account until projected R&R account funds are adequate to meet long term needs.

2020 Revenue Factors



Weathered the Year Well Despite the Pandemic

Water Utility Highlights

Beginning Fund Balance

- \$6.0M above budget

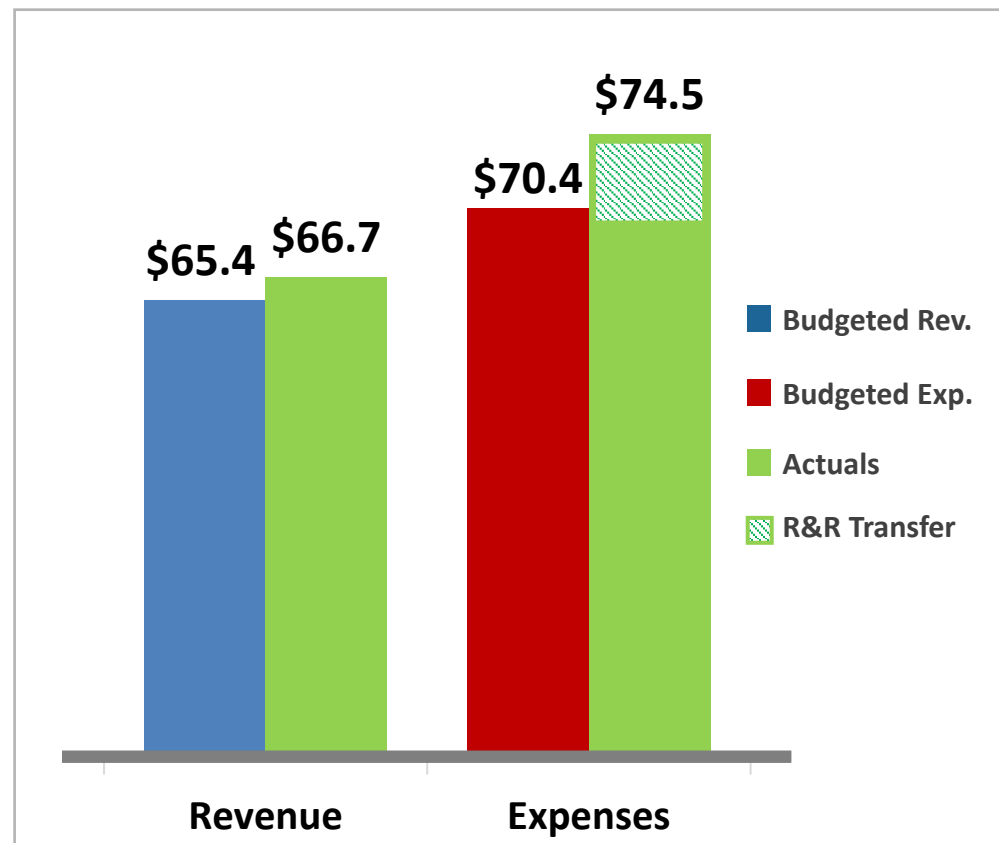
Revenue

- \$1.3M above budget
- Largely driven by:
 - Anticipated recession
 - Drier weather
 - Moderate COVID-19 Impact

Expenditures

- \$1.3M lower than budget
- Largely driven by:
 - Savings from personnel vacancies and operational under-expenditures

2020 Water Utility (\$M)

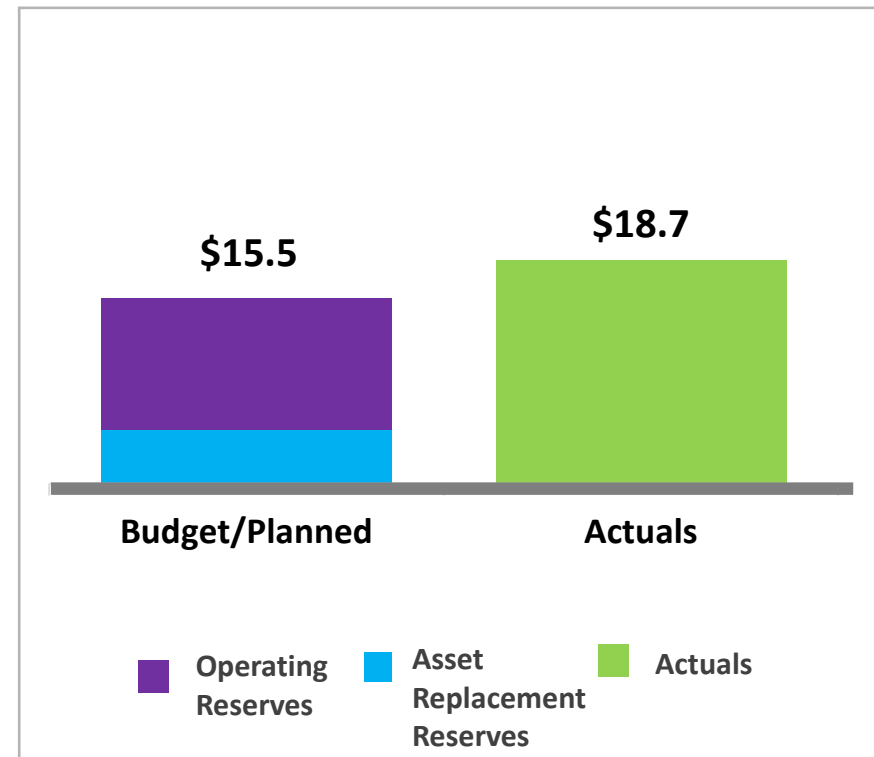


Water Utility Highlights

Ending Fund Balance:

- \$3.2M above budgeted levels.
- Largely as part of Asset Replacement Account to fund future replacement of billing and asset management software systems.

2020 Water Ending Fund Balance (\$M)



Sewer Utility Highlights

Beginning Fund Balance:

- \$3.4M over budget

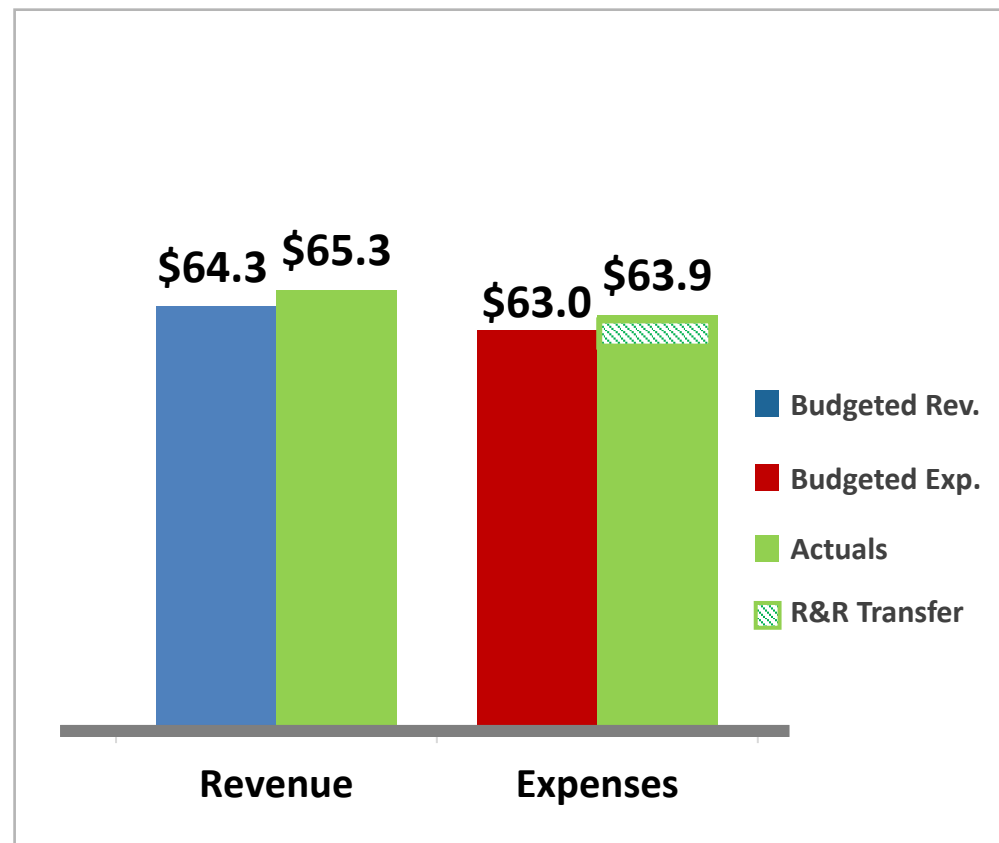
Resources

- \$1.0M above budget
- Largely driven by higher water consumption

Expenditures

- \$0.6M lower than budget
- Largely driven by:
 - Savings from operational under-expenditures

2020 Sewer Utility (\$M)

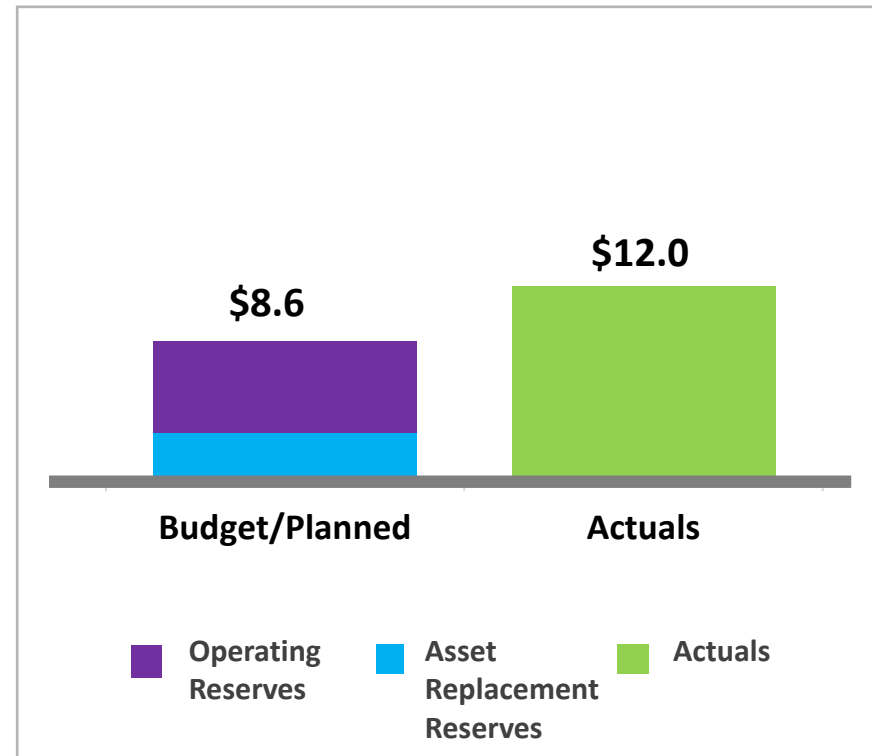


Sewer Utility Highlights

Ending Fund Balance:

- \$3.4M above budgeted levels
- Largely as part of Asset Replacement Account to fund future replacement of billing and asset management software systems.

2020 Sewer Ending Fund Balance (\$M)



Storm Utility Highlights

Beginning Fund Balance:

- \$1.0M above budget

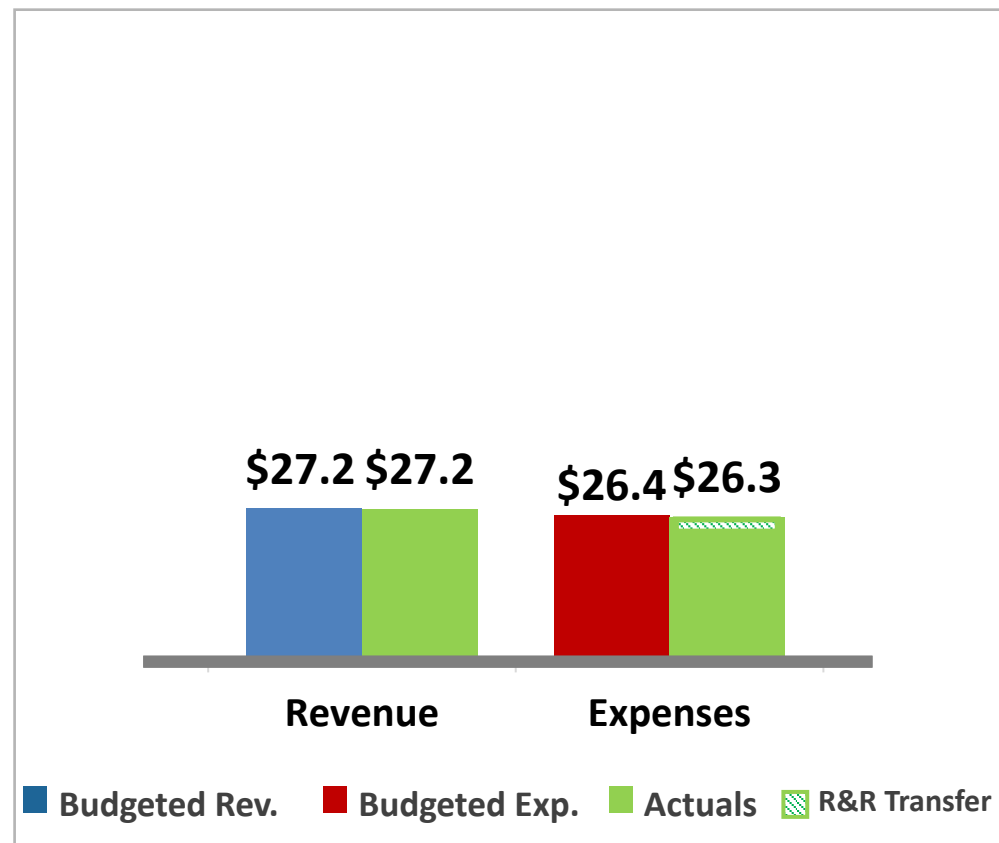
Resources

- On budget

Expenditures

- \$0.9M lower than budget
- Largely driven by:
 - Savings from personnel vacancies.

2020 Storm Utility (\$M)

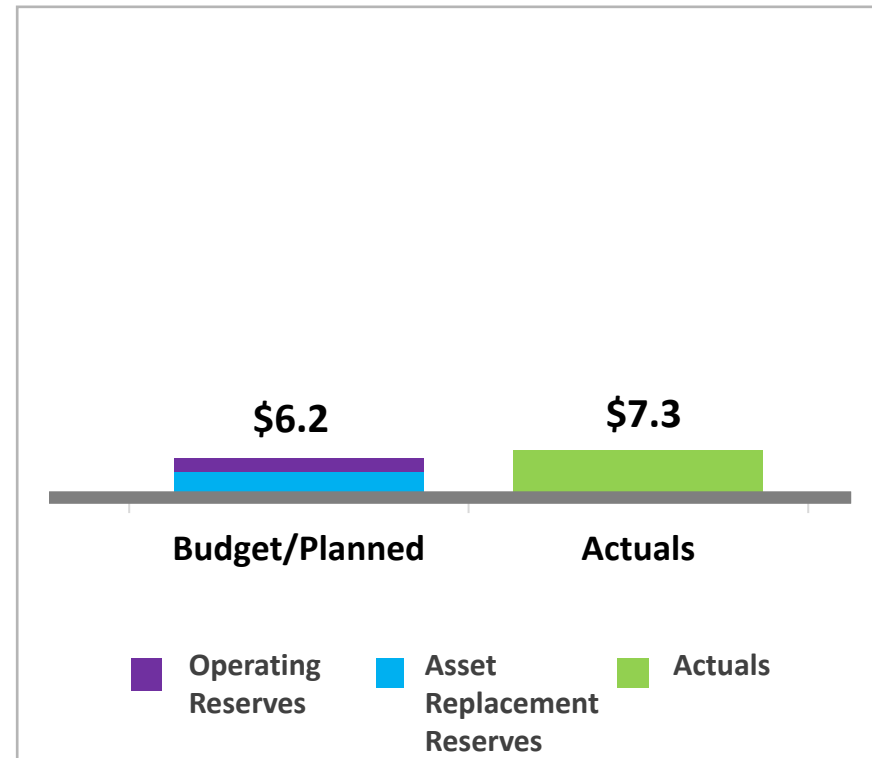


Storm Utility Highlights

Ending Fund Balance:

- \$1.1M above budgeted levels
- Largely as part of Asset Replacement Account to fund future replacement of billing and asset management software systems.

2020 Storm Ending Fund Balance (\$M)



Solid Waste Utility Highlights

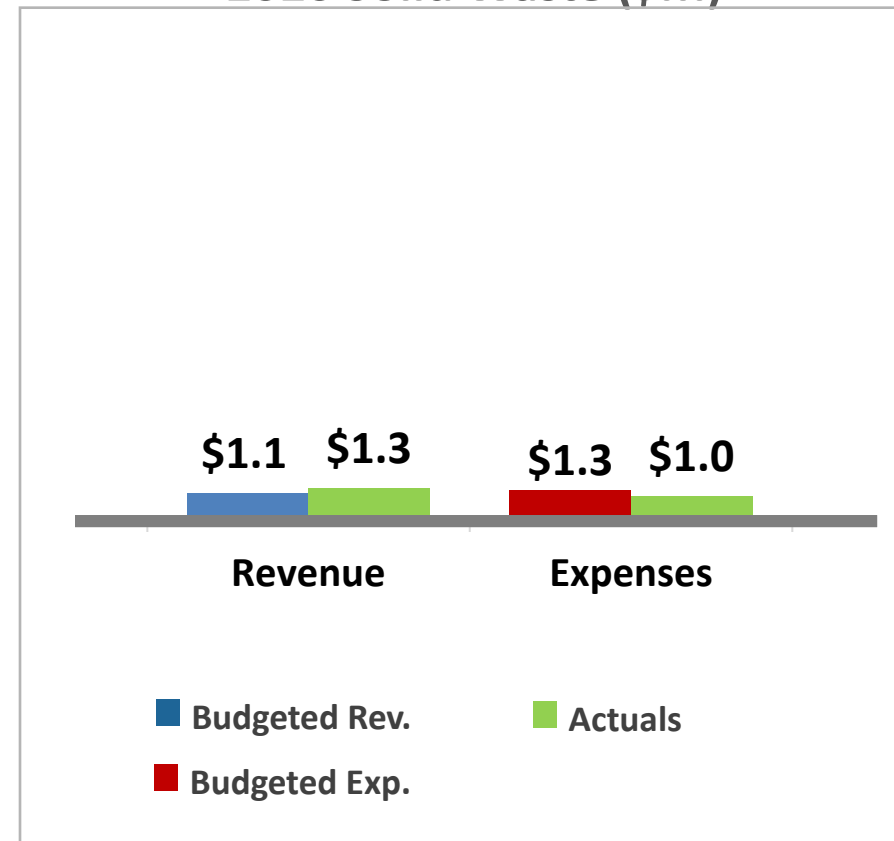
Resources

- \$0.2M above budget due to unearned bonus revenue

Expenditures

- \$0.3M lower than budget
- Largely driven by operational savings

2020 Solid Waste (\$M)

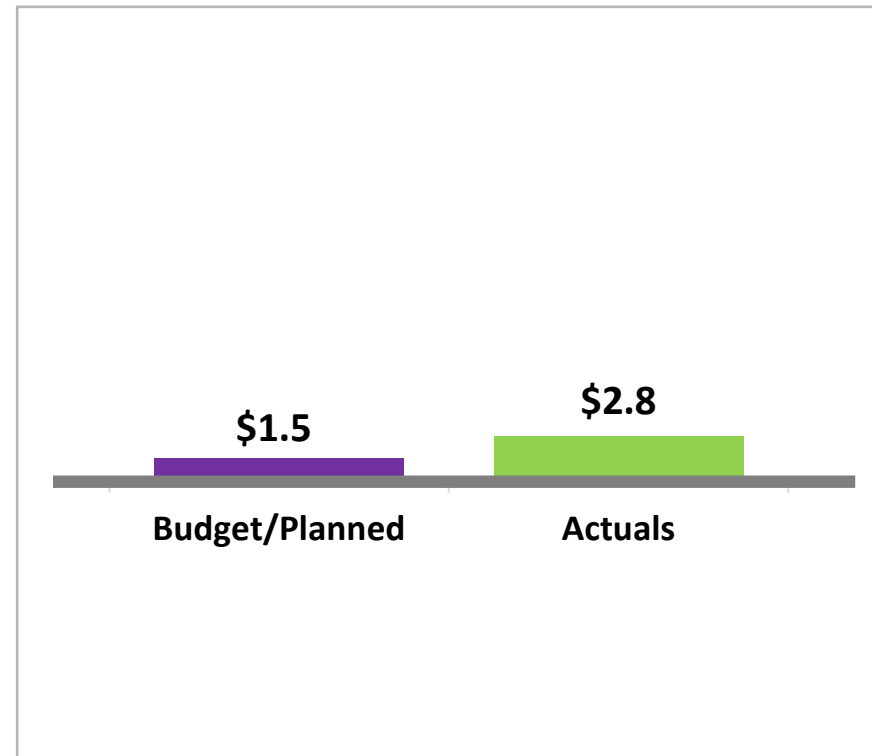


Solid Waste Utility Highlights

Ending Fund Balance:

- \$1.3M above budgeted levels
- Largely due to unearned bonus revenue

2020 Solid Waste Ending Fund Balance (\$M)



Summary

- ❖ All Utilities ended 2020 in positive financial condition
 - Operating revenues exceeded operating expenses
 - Fund balances above expectations
- ❖ Starting off 2021 in healthy financial position
- ❖ Well-positioned to continue to mitigate COVID revenue impacts
- ❖ Utilities will continue to provide fiscal stewardship